

EXHIBIT 12

What is Peer-to-Peer Texting?

Peer-to-peer (P2P) texting is a communication method that involves direct, one-on-one text messaging between individuals to create a more personalized and engaging experience.

This form of communication for political campaigns, nonprofits, advocacy organizations, and event organizers allows them to reach out to their target audience through SMS, fostering deeper connections and promoting more robust engagement.

Unlike traditional mass texting or [broadcast messaging](#), P2P texting often involves trained volunteers or staff members who initiate conversations with recipients, usually with pre-written templates that can be personalized to address individual concerns or interests.

This approach helps organizations break through the noise of digital media and tailor their messages to each person they're connecting with.

The power of P2P texting lies in its ability to create a sense of immediacy and intimacy in communication. Since text messages are typically read within minutes of being received, P2P texting provides a highly effective way to deliver time-sensitive information:

- event reminders
- candidate updates
- urgent calls to action.

The conversational nature of P2P texting encourages recipients to respond, ask questions, and share their thoughts, creating a feedback loop that can be invaluable for organizations looking to understand their audience better.

This fall HubDialer is launching a P2P texting tool that will expand on our successful predictive dialer software.

How does Peer-to-Peer texting work?

Peer-to-peer texting works by utilizing software platforms that enable campaign staff and/or volunteers to send personalized text messages to a list of contacts.

Here's a step-by-step breakdown of how P2P texting works:

- The first step is to **build a list of contacts**, usually sourced from voter databases or supporter lists, to target with P2P texting. The list should include phone numbers and any relevant demographic information to help customize the messaging.
- The typical next step is **script creation**. Organizations create a series of text message scripts tailored to different segments of the target audience. These scripts can be based on the recipient's interests, political beliefs, or demographics, ensuring the messaging is relevant and engaging. A typical example is a [volunteer recruitment script](#).
- To send those messages, you need a **P2P texting platform** account, typically cloud-based and accessible from any device with an internet connection. The platform efficiently manages volunteer texters, scripts, and contact lists. HubDialer will release such a P2P texting platform in the fall of 2023!
- [Training staff or volunteers](#) on how to use the P2P texting platform is the next step. You must understand the process, the messaging scripts, and any relevant legal or compliance requirements.

- Volunteers start their **texting sessions** by logging into the P2P texting platform and sending messages to contacts on the list. Depending on the platform's capabilities, they can typically send hundreds or thousands of messages per hour.
- When a recipient responds to a text message, the volunteer can engage directly and establish **two-way conversations**. Real-time communication helps build rapport with the contact, increasing the likelihood of a positive outcome, such as [voter turnout](#), event attendance, or donations.
- The P2P texting platform **collects data** on the conversations, including response rates, sentiment, and any actions the recipients took. This data can be analyzed to inform future messaging strategies and measure the effectiveness of the P2P texting campaign.
- The P2P texting platform must provide an easy way for recipients to opt out of receiving future messages. When someone opts out, their contact information is removed from the list to ensure **compliance with legal requirements**.

Or, to summarize all these steps – P2P texting enables organizations to engage with their target audience in a personalized and efficient manner, fostering meaningful connections and driving desired outcomes.

Peer to Peer vs. other texting forms

There are many different texting forms out there, such as:

- SMS (Short Message Service) sends and receives text messages (up to 160 characters). P2P is a type of SMS – so do we want to draw a distinction here? P2P uses SMS person-to-person instead of broadcast messaging, which uses SMS application to person. But both are sending and receiving SMS.
- MMS (Multimedia Messaging Service)to send multimedia content (images, audio, video, etc.)
- Instant Messaging Apps (e.g., WhatsApp, Facebook Messenger, Telegram) for sending text messages, images, videos, and other multimedia content in real-time
- Mass texting involves sending a single message to many recipients simultaneously.
- RCS (Rich Communication Services) is an advanced form of SMS that aims to provide a more app-like experience while still using the traditional SMS infrastructure.

While Peer-to-Peer (P2P) texting shares some characteristics with other texting forms, it also differs from them.

For instance, when comparing mass texting as a more common traditional texting method, P2P stands out:

- P2P allows personalization and direct, one-on-one conversations between individuals, providing a more personalized experience. In contrast, mass texting involves sending generic messages to many recipients, resulting in less personalization and engagement.
- Two-way communication allows recipients to respond and engage with the sender, fostering more profound connections. On the other hand, mass texting is typically a one-way communication channel, with limited opportunities for recipients to interact with the sender.
- Targeted messaging with tailored messages according to the recipient's preferences or concerns is another positive aspect of P2P texting. This targeted approach increases the likelihood of a positive response from the recipient. In comparison, mass texting sends the same message to all recipients, which may not resonate with every individual.
- P2P texting platforms have built-in features to manage opt-outs and maintain compliance with relevant regulations, such as the Telephone Consumer Protection Act (TCPA). These features ensure that recipients can quickly opt out of receiving messages if they wish to.
- P2P texting typically utilizes trained volunteers or staff members to send messages and converse with recipients. This human touch can create a more authentic connection.

Compliance requirements (10dlc) for peer-to-peer texting in the US

10DLC, or 10-Digit Long Code, is a system that allows businesses and organizations to send text messages using standard 10-digit phone numbers. This system is designed to improve deliverability, reduce spam and ensure compliance with local regulations.

In the US, the major carriers (AT&T, Verizon, T-Mobile, and Sprint) have adopted 10DLC to improve the messaging ecosystem.

When using P2P texting in the US, following specific compliance requirements is essential to ensure your messaging campaign adheres to the guidelines set by governing bodies like the Federal Communications Commission (FCC) and the Cellular Telecommunications Industry Association (CTIA).

Here are some key compliance aspects to consider:

- Before sending any text messages, you must obtain the recipient's consent. This can be done through an opt-in process, whereby individuals provide explicit permission to receive messages from the sender.
- Text messages must not contain any prohibited or inappropriate content, such as adult material, threats, or harassment. Also, avoid using deceptive or misleading language.
- You must provide recipients with a clear and easy way to opt out of receiving messages. Typically, this involves including instructions to reply "STOP" to discontinue receiving messages. Additionally, you must honor opt-out requests promptly and maintain a do-not-contact list.

- Avoid sending excessive messages that could be considered spam. Limit your messaging frequency to a reasonable level, and inform recipients of the expected message volume when they opt in.
- Ensure that all personal information and data collected during the P2P texting are securely stored and protected. Implement necessary security measures to prevent unauthorized access or data breaches.

These guidelines ensure that your messaging campaigns are effective and compliant, resulting in a more positive experience for recipients and reducing the risk of potential penalties or legal issues.

Why do organizations use texting for their campaigns?

Organizations use texting for their campaigns due to its numerous advantages in reaching and engaging their target audience. Some key reasons include:

- Text messages have an **exceptionally high open rate**, with over 90% being read within the first three minutes of receipt. High open rates ensure the campaign message is more likely to reach its intended recipients.
- Texting allows organizations to send **personalized and targeted messages directly to their audience's mobile devices**, establishing a sense of intimacy and relevance that other communication channels may lack.
- Text messaging campaigns can be **relatively inexpensive** compared to other marketing methods, such as print, radio, or television advertising. The low cost per message allows organizations to communicate with large audiences without breaking the bank.

- With the ability to send and receive messages instantly, organizations can gather **real-time feedback from their audience**, enabling them to make swift adjustments and improvements to their campaign strategies.
- As mobile phones are everywhere, texting campaigns can **reach a vast audience** regardless of age, location, or socioeconomic status. This widespread accessibility makes it an appealing choice for organizations looking to maximize their impact.
- Text messaging can be **easily integrated into a broader marketing strategy**, working with other channels such as email, social media, and traditional advertising to create a cohesive and effective campaign for the organization.
- Due to the personal nature of text messages and the fact that they are sent directly to the recipient's mobile device, **recipients are more likely to engage with the content**, leading to higher response rates and overall campaign success.

What are the use cases for peer-to-peer texting?

P2P texting has a lot of use cases, and it's no wonder why it's so popular!

Here are some typical use cases in which P2P texting is a great channel.

- P2P texting is an effective tool for political campaigns to **encourage voter turnout and [GOTV](#)**. By sending personalized messages to potential voters, campaigns can remind them about the importance of voting, provide information on polling locations, and answer any questions they may have.

- Nonprofit organizations, [grassroots movements](#) and political campaigns use P2P texting to **solicit donations from supporters**. By sending tailored messages highlighting specific needs or causes, organizations can encourage supporters to contribute, making it easier to reach [fundraising goals](#).
- P2P texting helps **streamline event management** by sending out event details, reminders, and updates to attendees. Organizers can also use P2P texting to coordinate volunteers and staff, ensuring everyone is informed and on the same page.
- Nonprofits and political campaigns use P2P texting to **recruit and manage volunteers**. Sending targeted messages can help organizations connect with potential volunteers, provide them with relevant information, and coordinate their efforts for maximum impact.
- P2P texting can be utilized to **raise awareness about specific issues and advocate for policy changes**. Organizations can engage supporters by sharing information, calls to action, and ongoing campaign or initiative updates.
- Businesses use P2P texting to provide **personalized customer support**. Companies can improve customer experience and build stronger relationships with their clients by answering customer inquiries and resolving issues through text.

- Companies work on P2P texting campaigns to **engage with potential customers, generate leads, and boost sales**. Businesses can increase conversions and drive revenue growth by sending targeted messages highlighting product features, promotions, or special offers.
- P2P texting is excellent for **conducting market research and collecting customer feedback**. By sending out survey questions or soliciting opinions via text, organizations can gather valuable insights to inform decision-making and improve their offerings.
- P2P texting facilitates communication within an organization. By sending messages to employees about company updates, policy changes, or important announcements, businesses can ensure that their team is well-informed and engaged.

As a final and often overlooked use case, P2P texting can be vital for distributing critical information during emergencies or crises. You can send timely updates and instructions to keep your audience informed and help ensure their safety.

Best practices for texting campaigns

While different organizations use texting channels for various purposes, some best practices are common to all industries.

- Start with defining clear goals and objectives. Before launching a peer-to-peer texting campaign, clearly outline the goals and objectives you want to achieve. This approach will help you measure the campaign's success and make more data-driven decisions.

- Segment your audience before launching a campaign. Segment the audience based on demographics, interests, or past interactions. Send targeted and personalized messages to increase the chances of engagement and conversion.
- Craft engaging and concise messages in the right way. Keep your message short, clear, and to the point. Ensure it is relevant to the recipient and encourages them to act. Personalize the message by addressing the recipient by their name.
- Use a reliable texting platform. Choose a peer-to-peer texting platform that offers features like message templates, automation, audience segmentation, and reporting. Ensure the platform complies with relevant regulations and has a good reputation for deliverability and support. Fortunately, HubDialer will release a texting platform in fall 2023!
- Train your volunteers or staff on how to use the messaging platform and how to craft the messages for different purposes. Provide proper training to volunteers or staff members who will be sending messages. Ensure they understand the campaign objectives, messaging guidelines, and how to use the texting platform effectively.
- Monitor and optimize the progress of your campaign to identify areas for improvement. Track metrics like open rates, response rates, and conversions. Adjust your messaging, audience segmentation, or strategy as needed.

- Familiarize yourself with the rules and regulations governing peer-to-peer texting, such as the Telephone Consumer Protection Act (TCPA) in the United States. Obtain necessary permissions and always allow recipients to opt out of receiving messages.
- Avoid sending messages too early in the morning or too late at night. Consider the time zone of your recipients and schedule messages accordingly.
- Encourage two-way communication by asking open-ended questions and encouraging your audience to reply. Respond promptly to their questions or concerns and maintain a conversational tone.
- Measure the success of your campaign after it is over and evaluate its performance against your goals and objectives. Use the insights gained to improve future campaigns and refine your messaging strategy.

Should you use P2P texting for your campaigns?

P2P texting is a powerful channel that should be on the list of tools for every campaign.

Even if you are new to this field, expanding your [phone banking](#) and voice activities to texting is easy, especially if you have the right platform.

HubDialer is soon launching an all-new texting platform that will allow you to reach out to more people with the right messages at the right time.